

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6884**

**BILL NUMBER:** HB 1710

**NOTE PREPARED:** Dec 31, 2008

**BILL AMENDED:**

**SUBJECT:** Friends of Animals Trust License Plates.

**FIRST AUTHOR:** Rep. Michael

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill establishes the Friends of Animals Trust license plate and the Friends of Animals Trust Fund. It specifies that \$25 from the proceeds from the sale of each of the Friends of Animals Trust license plates be distributed to the Indiana Animal Health Foundation for use in certain animal programs.

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** Prison Enterprise Network (PEN PRODUCTS), manufacturing and sales arm of prison-made products, charges the Bureau of Motor Vehicles (BMV) for the manufacture of license plates. For the Friends of Animals Trust license plate, PEN PRODUCTS will charge the BMV \$3.19 per plate for single-color printing under the digital license plate system. The charge for multi-color printing on sheeting under the digital license plate system is \$3.69 per plate.

*Friends of Animals Trust Fund-* The bill establishes the Friends of Animals Trust Fund. The BMV is to administer the Fund, and expenses of administering the Fund are to be paid from the Fund. The BMV is to annually distribute the money in the Fund to the Indiana Animal Health Foundation for use in certain animal programs in Indiana. These programs are:

- (1) Animal control programs.
- (2) Humane Societies.
- (3) Pet overpopulation reduction through a variety of approaches, including:
  - (A) subsidizing surgeries through veterinarians and clinics;
  - (B) providing education programs for pet owners and potential pet owners; and
  - (C) helping animal control entities and humane societies deal with pet overpopulation issues.

Money is the Fund does not revert to the state General Fund at the end of the state fiscal year.

**Explanation of State Revenues:** *Friends of Animals Trust Fund* The bill establishes a \$25 fee for the new license plate and also establishes the Friends of Animals Trust Fund into which the new revenue is to be deposited before distribution to the Indiana Animal Health Foundation. Revenue from the newly created plate is not known. In CY 2008, sales of special recognition license plates ranged from 74 plates for the Pearl Harbor plate to 53,267 for the Heritage Trust plate. Plate sales for the new plate are likely to fall within this range.

Revenue from the \$25 fee for the Pearl Harbor plate amounted to \$1,850, while revenue from the \$25 fee for the Heritage Trust plate amounted to \$1,331,675. Revenue from the Friends of Animals Trust license plate is likely to fall within this range.

*Special Recognition Fee:* In addition, there is a \$15 Special Recognition fee. Revenue from the Special Recognition fee for the Pearl Harbor plate totaled \$1,110, while revenue from the same fee for the Heritage Trust plate amounted to \$799,005. The following tables show the distribution of the Special Recognition fee based on the CY 2008 sales of the Pearl Harbor plate and the Heritage Trust plate and the uses of the distributed funds.

| Minimum and Maximum Distribution of Estimated Special Recognition Fee Revenue.  |            |                 |            |              |
|---|------------|-----------------|------------|--------------|
| Plate Type  | MVHA (\$5) | Xrds 2000 (\$1) | BMVC (\$9) | Total (\$15) |
| Friends of Animals (if 74 plates sold)*   | \$370      | \$74            | \$666      | \$1,110      |
| Friends of Animals (if 53,267 plates sold)*   | \$266,335  | \$53,267        | \$479,403  | \$799,005    |
| * Estimates based on CY 2008 sales of Pearl Harbor plates and Heritage Trust plate.<br><br>MVHA - Motor Vehicle Highway Account<br>Xrds 2000 - Crossroads 2000<br>BMVC - Bureau of Motor Vehicle Commission |            |                 |            |              |

| Fund                 | Uses  |
|----------------------|---|
| MVHA                 | Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue. |
| Crossroads 2000 Fund | Bonding for highway projects.   |
| BMV Commission       | Supports the operation of the license branches throughout the state.  |

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** BMV.

**Local Agencies Affected:** Animal Control agencies and Humane Societies.

**Information Sources:** Special Recognition and Trust Plate sales for CY 2008.

**Fiscal Analyst:** James Sperlik, 317-232-9866.